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CONGRESSIONAL RECORD — SENATE

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There being no objection, the material was ordered to be printed in the Record, as follows:

THE FLIGHT OF METROPOLITAN AREAS—TOO MANY GOVERNMENTS, TOO FEW FINANCIAL POWERS?

(By Ralph E. Rechel, consultant, Economics and Organization of Transportation, Washington, D.C.)

These sheets present data on trends in the numbers of jurisdictions (I), on the taxes collected from metropolitan area residents by all levels of government (II), and on the dependence of local governments on transfers of money from State and Federal levels (III). These figures provide rough measures of the jurisdiction problem and of the past financial trends.

I. TRENDS IN THE NUMBER OF JURISDICTIONS INVOLVED IN METROPOLITAN REGIONAL TRANSPORTATION PROBLEMS

The first portion of the 1962 Census of Governments to be tabulated and published covers government organization. This census report shows that between 1952 and 1962:

The number of counties decreased by 10, primarily caused by the elimination of counties in Connecticut.

The number of municipalities increased by 1,190 due to new incorporations.

The populations in many of the newly incorporated areas (effectively severed from a more unified type of administration) are large: 23 new cities had over 100,000 people when incorporated; 423 new cities had over 10,000 people.

The number of townships decreased by 58 due to the above incorporations.

The number of special districts (not including school districts) increased by 4,283.

The number of school districts, the government unit least related to finance of transportation facilities, decreased by 6,000 due to consolidations.

Central cities of 50,000 or more population and their contiguous urban county, or counties, are designated as standard metropolitan statistical areas (hereafter SMA) in Federal statistics, including the census of governments. The census shows that between 1957 and 1962 the number of SMA's increased from 174 to 212. Within the 212 SMA's there were increases of 298 (8 percent) in the number of municipalities and of 1,675 (45 percent) in the number of special districts in the 5 years between 1957 and 1962. There was a decrease of one county.

Since the urban passenger transportation problem is located primarily in the SMA's, it is clear that the number of jurisdictions which must cooperate in, or organize for, planning, financing, and operating areawide transportation services are increasing. This will inevitably make cooperation and organization in the metropolitan areas more difficult.

In 1962 the 212 SMA's contained 310 counties, 4,142 municipalities, 2,575 townships, and 5,411 special districts. While many of the latter will not affect transportation directly, there were 310 multiple-purpose districts and 773 highway districts. Housing and urban renewal accounted for another 1,099 districts. While there is no data on the number of special districts having the power to tax property within SMA's, over half of all special districts (not including school districts) in the United States possess such power. Presumably half or more of the districts within SMA's have taxing powers.

II. WHO PAYS THE TAXES IN THE UNITED STATES?

The following table shows the proportion of revenues of local, State, and Federal Governments which are collected from people residing in SMA's. Since the revenue portions of the 1962 Census of Governments have not

been published, the data are from the 1957 Census of Governments and the 1957 report of collections by Internal Revenue Service.

The methods of estimating State and Federal tax collections in SMA's are contained in an appendix note.

Estimate of the collection of all taxes inside and outside of metropolitan areas, fiscal year 1957

Level of government	Total public revenue ¹	Revenues from outside SMA's (thousands)	Revenues from inside SMA's ²	Percent of total revenues from SMA's
1. Federal tax collections.....	\$82,387,233	\$25,722,408	\$56,664,825	68.8
2. State collections and charges.....	\$20,728,217	66,867,736	14,041,481	67.7
3. Local collections and charges.....	\$18,407,000	5,339,000	13,068,000	71.0
4. Total.....	121,522,450	37,748,144	83,774,306	68.9
5. 1960 population.....	178,464	66,079	112,385	63.0

¹ For 48 States and the District of Columbia.

² Internal Revenue Service only, thus excluding customs duties and charges or sales revenues of various Federal agencies.

³ Include taxes, interest, charges for services, and liquor store income.

⁴ Same items as in footnote 3 for county, municipal, and township governments, and all types of special districts including school districts.

⁵ Includes only the 174 SMA's in the 1957 census. There are 212 in the 1962 census which is not yet published.

The answer to the title question is, of course, "People who live in metropolitan areas." Since the methods of estimation tend to undervalue the State and Federal collections in SMA's, and there are now 212 SMA's rather than the 173 used in 1957, it is conservative to assume that at least 75 percent of all Federal, State, and local taxes are paid by residents of metropolitan areas.

Since these areas are the primary producers of wealth and taxes in the country, the question may well be asked, "Why do they have to come to Washington for money?" A principal reason is that these major groups of taxpayers are not able to effectively control or channel the collection and spending of the public funds which they provide. This lack of control is largely caused by the multitude of political jurisdictions acting within the SMA's, and the many limits on the powers to act of the individual units of local government. Legally, towns, cities, counties, and special districts are much better equipped to spend money handed to them from the outside than to raise and spend their own money, or to cooperate with equivalent jurisdictions in spending jointly the locally raised funds. The local government's power tends to be negative in effect rather than creative.

It is clear that SMA's do not get "free" money from Washington, since they already supply most of Washington's money.

III. LOCAL GOVERNMENTS RECEIVE LARGE PORTIONS OF THE FUNDS THEY SPEND FROM STATE AND FEDERAL SOURCES

The dependence of local governments (cities, townships, counties) on transfers of funds from the State and Federal Governments increased steadily until 1950. Since that time local revenues have increased at a slightly more rapid rate than the transfers from outside,

the Federal Government and \$7,189 million transferred to them by State governments. An additional \$3,523 million was granted to the States by the Federal Government. Much of this was spent in urban areas for education, public welfare, highways, etc., so that, in terms of the physical location of expenditures rather than the government unit doing the spending, the total transfers to local governments were substantially greater than the above table indicates. The ratio is probably 35 to 40 percent.

All of the above data include all local governments, both in and out of SMA's. State and Federal grants constituted 25.1 percent of the general revenues of local governments in SMA's in 1957, or 4.6 percentage points less than the ratio for all local governments. This may indicate that revenues are increasing more rapidly in the SMA's than outside. No historical trend is available.

These figures, while indicating a favorable change in trends, emphasize the relative financial weaknesses of local government as presently operated. If metropolitan regional needs of great magnitude are to be effectively dealt with by local governments, much strengthening will be necessary.

APPENDIX NOTE—METHOD OF ESTIMATING FEDERAL AND STATE TAX DISTRIBUTIONS TO SMA'S

The taxes and charges collected by the local governments in the SMA's were reported directly by SMA and by State in the census of governments. State tax and charge revenues were reported by the Census but without any geographic breakdown within the State. The Federal revenues were taken from the annual collection report of Internal Revenue Service for 1957 where the moneys are identified by the State in which the collection took place. The total of State and Federal revenues for each State were distributed between residents of SMA's and all other residents on the basis of the 1960 Census of Population. While this is a convenient method for a brief analysis such as this, the use of population has a number of disadvantages.

States: Detailed studies of the distribution by county of State revenue collections have indicated that urban taxpayers contribute about 5 to 8 percent more per capita than do rural taxpayers. Thus the State revenues from the SMA's are understated by perhaps 5 percent or more.

Federal: Although the IRS collections are reported by State many problems arise in relating such collections to the people who actually paid the taxes as consumers. Corporate income taxes, paid originally by the entire population, are concentrated as collections in a few of the States with large populations in the SMA's. On the other hand

Year	Transfers from State and Federal sources (millions of dollars) ¹	State-Federal transfers as percent of total local government revenue
1902.....	\$56	6.6
1922.....	321	8.3
1932.....	811	14.3
1940.....	1,932	27.8
1948.....	3,501	30.8
1950.....	4,428	31.6
1957.....	7,539	29.7

¹ Of these amounts, the direct Federal grants are less than 10 percent of the Federal-State total in all years.

The 1957 figure consists of \$350 million granted directly to local governments by

the manufacturer's excises on alcohol and tobacco products are collected in predominantly rural States although paid largely by the urban population (the latter constitutes over 70 percent of the total). For purposes of this analysis it is assumed that these defects roughly cancel out; that is, do not shift enough income among States with differing ratios of SMA population to seriously affect the suggested distributions.

Federal taxes are much more strongly aligned with income than are State taxes. Therefore the Federal taxes collected in SMA's are more seriously understated by using distributions based on rural-urban population ratios than are State taxes. Average annual cash income differences between urban and rural populations range from 15 to 25 percent. It is not possible to judge the probable understatement of SMA Federal tax production without additional analysis.

While a thorough analysis of the origins of taxes and charges paid to governments would cause many changes in details, it is unlikely that the 75-percent ratio estimated for SMA's in the text would be changed more than 5 percentage points.

MASS TRANSIT STEERING COMMITTEE MEETS FEBRUARY 18

WASHINGTON, D.C.—The Urban Mass Transportation Steering Committee will hold a meeting here on Tuesday, February 18, in the Housing Center on L Street. This committee is the one set up to assist toward the enactment of the Federal mass transportation bill. All parties interested in attending the meeting are invited to do so. Further details can be obtained from ATA Headquarters in New York.

UNITED STATES TERMINATES ASSISTANCE TO ALLIES

Mr. SIMPSON. Mr. President, the administration, after interminable study and a few quarterback sneaks, has reached a consensus, labored, and brought forth a brilliant coup d'etat against communism in the Western Hemisphere. This left blow was delivered Tuesday by terminating U.S. military assistance programs to two of our staunchest European allies.

The administration has moved off dead center, but from where I sit, the villains of the piece have escaped unscathed while we have placed ourselves at the throats of our friends.

The action, in the name of anticommunism, has indicated our willingness to slap down our allies and cleave the Western alliances provided, of course, that the administration's critics are mollified and Castro is not goaded into threats of a "thermonuclear holocaust." But, of paramount importance, Mr. President, the administration has announced to the world the extent to which its alternatives of action have been reduced in meeting the challenges of the cold war.

Communist Cuba is the root of the strife to the south. The State Department, with an assist from the press, handed the Pearl of the Antilles and its 7 million inhabitants to communism on a silver platter. Now, a half decade later, comes the terrifying realization that Khrushchev and Castro have boxed the United States into a corner.

In just 5 years Khrushchev, without firing a shot or sacrificing a Russian soldier anywhere in the Caribbean, has caused us to make a mockery of our al-

liances, obviate our sacred trusts, and turn against the nations with which we must identify ourselves to survive. Khrushchev has bluffed, coerced, subverted, and bought a position of Soviet preeminence in the Western Hemisphere and so frightened the timid souls who execute our foreign policy that not a finger is raised against him.

In the administration's eyes our alternatives are deteriorating so rapidly that the only action we can now take against Communist aggression is against our friends and allies. We cannot chase the bear or pull the beard. We can only strike at our friends—for they will not strike back.

Mr. President, the Congress enacted the law under which the administration is directed to end aid to countries violating our facetious embargo on Cuban trade. I have no quarrel with that law. I voted for it when the foreign aid bill was passed. But, I feel it important that this question be raised: Must this legislation now become an "out" for the administration to use in circumventing a decision on the source of the violence that pervades the Western Hemisphere?

On January 31 I placed in the Record a speech in which I said, in regard to French recognition of Communist China:

The tragedy of the French action is that it is a byproduct of what might be termed America's policy of "the great vacillation." U.S. policymakers had not caused us to stand firm in Europe and in our own hemisphere, and we had not guided with decisiveness the thrust of the free world against the menace of international communism.

I would hazard the opinion again, Mr. President, that had the United States conducted its foreign affairs in a manner compatible with its position and its responsibilities, and had we developed the hard-tailored opportunities in April of 1961 and October of 1962 to expel communism from Cuba, we would not today find our alternatives of action limited to striking against our allies or doing nothing at all.

I am not defending the British and French policy of trading with Castro. It is a demonstrably false policy. The British position that a fat Communist is more amenable than a lean one recalls the profundity of Neville Chamberlain when he brought peace to Europe in the 1930's only to find England in the middle of a savage war months later and his name synonymous with appeasement.

As David Wills of Three Star Extra put it last Friday:

The British argue that a well-fed Communist, a fat and confident Communist, loses his revolutionary zeal and ceases to be a Communist. Hence, they conclude the best way to defeat the Communists is to trade with them—to feed them and to fatten them. Now the British surround their argument with an atmosphere of superior wisdom presumably gathered over the centuries while we were indifferent and inexperienced in foreign affairs. But this assumption is not supported by the facts. Before the Second World War, successive British governments were just as determined to ignore Hitler's written threats as they now are to belittle the Communist menace. Despite all warnings Chamberlain pursued appeasement until disaster was inevitable. The unequalled bravery displayed by the British when their backs were to the wall was matched

only by the blindness with which they maneuvered themselves into this desperate condition. The record suggests that the British may be as wrong now in trading with Russia as they were in appeasing Hitler . . . just as wrong in fact as we were in selling scrap iron to Japan in the thirties.

Those are strong and prophetic words. Moreover, it can be said another way, that Britain is as wrong in trading with Communist Cuba as we are in peddling our wheat to the Soviet Union for re-routing to Cuba.

Tuesday's action, although not of great importance from a dollars and cents basis, can be expected to have symbolic impact on relations with our allies.

Two English newspapers, the Daily Telegraph and the Guardian, made the most indicative remarks. The Daily Telegraph said the move "amounted to a rather undignified end to one of the historic postwar arrangements between the two countries." Both the newspapers noted the absurdity of one member of an allied triumvirate terminating its aid to the other members for an "offense" of which all three are equally culpable. The Guardian, aware of the shiver of trepidation that runs through the State Department whenever Castro's name is mentioned, correctly opined that "the Americans merely contrive to hurt their friends without hurting Castro."

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield.

Mr. LAUSCHE. It is a coincidence that a few days ago there came to my office a letter from a citizen of Columbus, Ohio, whose name I shall not identify, reciting facts giving strong corroboration to the correctness of the views which the Senator from Wyoming has just expressed.

I read from the letter:

FEBRUARY 18, 1964.

HON. FRANK J. LAUSCHE,
New Senate Office Building,
Washington, D.C.

DEAR MR. LAUSCHE: In January 1964, I spent some time in Mexico, not as a tourist, but as a member of the wedding party of a physician friend of mine. In fact, I was the best man at this wedding, which not only had a civil ceremony on one day but a religious ceremony the next. Because of this I spent considerable time in the homes of professional and business Mexicans, many of whom I have known from previous visits to Mexico. This trip was limited to visiting of friends in Mexico City and spending a few days in Taxco.

I am giving you this outline so that you will realize that what I am writing you about is not hearsay picked up by a random tourist.

The Mexican citizens with whom I came in contact are very much perturbed and bewildered at the United States so-called foreign policy. They cannot understand what has happened to our State Department. They cannot understand why a country like the United States has suddenly taken the attitude as they phrased it (of hiding under the bed whenever some small country politician said boo). This got to be very embarrassing to both my wife, our daughter, and myself because it was brought up at each place we were. They are especially concerned about the Cuban situation, as they are now being infiltrated to such a state that the Cuban agents openly work among

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the students at the university. They made the statement many times that they were not concerned about the older Mexican people, regardless of class, but that it was the students who were being indoctrinated and who are now beginning to raise trouble for them.

Everyone with whom I talked emphasized the fact that while Mexico was strongly pro-United States, they could not be expected to continue in that manner unless the United States did an about face and did something to regain the vast amount of lost prestige. Needless to say this is very humiliating to one, when one's very good friends bring up these problems. In fact, it has been more than humiliating to me here in the United States to see how we have deteriorated in our handling of these situations.

I spent considerable time with various physicians, many of whom teach at the great University of Mexico Medical School. They are having their problems with socialized medicine and told me that many of their top men were leaving Mexico to practice in other countries because of this situation.

Trusting this information from an interested citizen may be of some help to you in getting us (out from under the bed) I am,

Yours very truly,

The people of the world want to honor us. By our weakness in asserting our rights, we are making impossible the fulfillment of the will of the people of the world.

The difficulties in which we find ourselves in countless places around the world should be a matter of grave concern to every citizen of our country.

Mr. SIMPSON. Mr. President, I appreciate very much the contributions made to this discussion by the distinguished Senator from Ohio. The letter which he read thoroughly accords with my views as to what is happening. Castro's Communist base in Cuba is now causing trouble all over the world, and will continue to cause increased trouble.

EARTHQUAKE AT AZORES ISLANDS

Mr. KENNEDY. Mr. President, once again tragedy has struck the Azores Islands. An earthquake hit the island of São Jorge on Tuesday, causing widespread damage and forcing at least 20,000 persons from their homes.

In 1958, when a similar calamity struck the Azores, President Kennedy, then Senator from Massachusetts, co-sponsored special emergency legislation to provide nonquota immigrant visas so that some of these displaced Portuguese citizens could enter the United States.

The tragedy of this week is just as great and it calls for similar compassionate action on the part of our country.

As soon as the reports are in on the extent of the damage and the number of persons rendered homeless by the catastrophe, I intend to introduce similar emergency legislation to relax the immigration quota.

I hope it will find the support of Congress.

INTIMIDATION OF SENATOR DIRKSEN

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed

in the body of the RECORD an article entitled "Intimidating Senator DIRKSEN," written by William S. White and published in the Evening Star of yesterday, February 19, 1964. Mr. White, who as we all know is one of the most astute and able correspondents and columnists in the Washington newspaper field, has written a remarkably fine article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INTIMIDATING SENATOR DIRKSEN

(By William S. White)

The United States has, in the old phrase, now seized the issue of civil rights. A long and bitter struggle over that bill, as already passed by the House of Representatives, now opens.

Now opens, too, the most powerful and open pressure upon a single Senator—EVERETT MCKINLEY DIRKSEN, of Illinois—ever applied in the memory of old Washington hands.

Senator DIRKSEN, the Republican leader of the Senate, has long been an advocate of civil rights in general. He has, however, been opposed to any unqualified grant of power to the Federal Government to compel privately owned businesses to serve Negro customers against their will. He does not like or support such discrimination. But he honestly questions whether Federal compulsion would not be an unconstitutional intrusion on the right of private property.

All the same, the proposed ban on this form of discrimination is the heart of this whole bill, as the Negro organizations now see it. To oppose it is to be treated as "against civil rights."

The Negro organizations frankly intend to drive Senator DIRKSEN from his present position of resistance on principle by the most extraordinary demonstrations against a single public officeholder ever seen in the United States since those directed a century ago against individual Senators not willing to vote a verdict of impeachment against President Andrew Johnson in the Reconstruction aftermath of the Civil War.

PERSONAL DEMONSTRATIONS

James Farmer, national director of the Congress of Racial Equality, has publicly declared that there will be extensive demonstrations in Illinois against the Senator personally. He has added that people will march en masse to the post offices there to file handwritten letters protesting Senator DIRKSEN's attitude.

The Senator, himself—whose courage and high sense of responsibility have rightly become familiar to a Senate which once had reason not quite so highly to regard him—has retorted:

"All the picketing they may do in my home State and all the picketing they may do here is nothing more than a form of unjustified duress to secure a judgment against my convictions." If the day should come when such pressure could force him to change honestly held convictions, he has added, on that day he would leave the Senate.

Without going at the moment into the merits and demerits of the public accommodations section of the civil rights bill, some observations are now essential.

MOBISM

This sort of naked attempted intimidation of a U.S. Senator is not a part of anybody's civil rights. It is, instead, a profound civil wrong. This is not the way of fair men in a free society. This is moral and intellectual mobism. And those who condone it, either out of a confusion of motives or a lack of courage, will live to regret a

shameful surrender to hysteria and demagoguery.

What happens to Senator DIRKSEN personally in itself is important. For he has behaved with civility and honor in a high post in a forum whose whole tradition is the assumption that great public issues are to be settled in the minds of men and not by crude menace, in whatever form it might take.

But what happens to Senator DIRKSEN as a symbol is even more important. If pressure groups, however earnestly motivated, can picket a Senator in the exercise of his duty and conscience, as though he were some industrial plant refusing a wage increase, where does the picketing stop?

Can a judge be terrorized to turn from an unpopular to a popular decision in a case at law? Can a jury be swayed in the very courtroom by the chants of pickets under the courthouse windows, or thrust from its convictions by the physical pressures of marching men shouldering and elbowing it as it goes out to lunch?

Can a somber and infinitely complicated national issue be decided by the simple process of selecting a single man of responsibility and pouring out upon him, day and night, the angry demands of one set of partisans in the dispute? Is this legislation? Or is this the thin and terrible end of a wedge that might one day be driven into the whole fabric of orderly responsibility in this Nation?

AUTHORIZATION OF APPROPRIATIONS FOR PROCUREMENT OF VESSELS AND AIRCRAFT AND CONSTRUCTION OF SHORE AND OFFSHORE ESTABLISHMENTS FOR THE COAST GUARD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 849, S. 2456.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2456) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment, on page 1, after the enacting clause, to strike out "That funds are hereby authorized to be appropriated, without fiscal year limitation, for the use of the Coast Guard as follows:" and insert "That the sum of \$71,799,000 is authorized to be appropriated for the fiscal year 1965 for the use of the Coast Guard as follows:"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the sum of \$71,799,000 is authorized to be appropriated for the fiscal year 1965 for the use of the Coast Guard as follows:

VESSELS

For procurement of—

- (1) one high-endurance cutter;
- (2) six medium-endurance cutters;
- (3) one coastal tender;
- (4) three inland tenders;
- (5) three small harbor tugs;
- (6) nine small patrol cutters; and
- (7) one river tender.

AIRCRAFT

For procurement of seventeen helicopters.

CONSTRUCTION

For establishment or development of Coast Guard installations and facilities by acquisition, construction, conversion, extension, or installation of permanent or temporary public works, including the preparation of sites and furnishing of appurtenances, utilities, and equipment for the following projects:

Atlantic Coast: Offshore light platforms at Shoals and Chesapeake Bay entrance.

Missouri River: Moorings for river tender.

Air Station, Elizabeth City, North Carolina: Replace runway.

Air Detachment, Annette Island, Alaska: Family housing units and support facilities.

Detroit, Michigan: Operational facilities for helicopter detachment.

Aircraft Repair and Supply Base, Elizabeth City, North Carolina: Maintenance facilities.

Air Detachment, San Juan, Puerto Rico: Maintenance and operational facilities.

Moorings, Mayport, Florida: Administrative, operational and maintenance facilities.

San Juan, Puerto Rico: Family housing units and support facilities.

Depot, Guam: Replace operational, administrative, and supply facilities.

Wilmington, North Carolina: Moorings for large cutter.

Base, Ketchikan, Alaska: Improve maintenance facilities.

Base, Woods Hole, Massachusetts: Improve operational and maintenance facilities.

Academy, New London, Connecticut: Field house.

Loran Station, Sitkinak, Alaska: Replace runway.

Mr. BARTLETT. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 9640.

The ACTING PRESIDENT pro tempore laid before the Senate the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, which was read twice by its title.

Mr. BARTLETT. Mr. President, I move to strike from H.R. 9640 all after the enacting clause and to insert in lieu thereof the language of S. 2456 as it is proposed to be amended.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 9640) was read the third time and passed.

Mr. BARTLETT. Mr. President, I move that the Senate insist upon its amendment and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. BARTLETT, Mr. MAGNUSON, Mr. HART, Mr. PROUTY, and Mr. BEALL conferees on the part of the Senate.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 2456 is indefinitely postponed.

Mr. BARTLETT. Mr. President, I ask unanimous consent to have printed at this point in the Record a statement concerning the bill, together with an excerpt from the report.

There being no objection, the statement and excerpt were ordered to be printed in the Record, as follows:

STATEMENT

The purpose of this bill is to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard. The committee authorized a sum of \$71,799,000 to be appropriated to the U.S. Coast Guard for the fiscal year 1965.

AMENDMENT TO THE BILL

The committee amendment modified the bill in two respects. As introduced, the bill included no dollar figures for specific items; authorized or for a total authorization and the bill would have permitted the Coast Guard to carry authorizations forward without fiscal year limitation for purposes of future appropriations.

When the act requiring this authorization (Public Law 88-45) was enacted, the Senate Commerce Committee report stated that one purpose of the legislation was to bring the congressional procedures affecting the Coast Guard into harmony with those relating to the Army, Navy, and Air Force. It is also acknowledged that the operation of the Coast Guard involve significantly smaller appropriations and special consideration may be required to assure the necessary flexibility.

For the past several years the practice has been to enact two authorization bills annually for the Armed Forces, one primarily for procurement and research and a second for construction of military installations. The practice has been to include specific dollar figures, with limited authority for adjusted increases, on items of military construction and to provide specific dollar figures on total procurement of aircraft, missiles, and vessels. The funds are authorized with fiscal year limitations. The committee amendment to the bill, therefore, has the dual effect of placing an overall dollar limitation on the authorization and limiting the authorization to the single fiscal year 1965. The latter, of course, has no effect on the question of whether funds appropriated may be held until expended, which is a concern of the Committee on Appropriations.

The committee did not attempt at this time to establish any permanent practice in respect to future Coast Guard authorizations, but it is hoped that the legislation introduced next year will follow more closely the practices developed under the authorizations for the Armed Forces.

LEGISLATIVE BACKGROUND

This bill represents the first legislative proposal submitted by the U.S. Coast Guard to obtain authorization for appropriations pursuant to Public Law 88-45. That act, passed and approved by the President in June 1963, provides that no funds may be appropriated to the Coast Guard for the procurement of vessels or aircraft or the construction of shore or offshore establishments unless the appropriation of such funds has been authorized by law. Public Law 88-45 gives the Coast Guard the same opportunity as is given the Armed Forces of the United States to present a construction and procurement program to Congress.

The committee received the bill on January 22 of this year. Hearings were held January 29 and the bill was ordered reported February 7. In responding promptly to this

request for authorization, the committee recognizes that the responsibilities of the Coast Guard have increased by severalfold in recent years and obsolete and inadequate facilities and vessels have continued to pyramid.

ANALYSIS

Vessel replacement program

The Coast Guard construction and procurement authorizations included in this bill are parts of a comprehensive program documented in Coast Guard reports relating to the replacement and augmentation of vessels, aircraft, and shore establishments.

In respect to the authorization of vessels, the basic plan provides for a construction schedule which will, by 1975, make available to the Coast Guard an adequate fleet of serviceable and modern ships. The basic program for this year would permit the replacement of 15 vessels and the construction of 9 new augmenting vessels.

The vessel replacement program includes the construction of one 350-foot, 270-ton, high-endurance vessel; five medium-endurance vessels of 210 feet in length; one coastal tender of 157 feet; three inland tenders, two tugs, and three patrol boats of 100 feet or less.

The Coast Guard has 36 ships now classed as high-endurance vessels. These are the Coast Guard's largest and most versatile vessels. They are used in long-range search and rescue and in ocean station duty primarily. Six of these vessels are over 25 years old and all of the 36 will be at least 25 years old by 1971. The committee approved authorization for the construction of one vessel for replacement. The Coast Guard noted that a second vessel is to be reconditioned during 1965 with funds outside the authorization bill.

The Coast Guard uses the medium-endurance vessel primarily for search and rescue work immediately offshore along our coast. The Coast Guard has 30 vessels in this category that are or will be overage by 1970. The program for fiscal year 1965 authorizes the replacement of five vessels of this class with cutters of 210 feet overall in length with a maximum speed of 18.7 knots.

The Coast Guard has 26 vessels of the coastal buoy-tender class. Eleven of these ships will be obsolete by the end of 1964. At the present time two are under construction from funds previously made available. The authorization for fiscal 1965 permits the replacement of one additional vessel of this class with a tender of 157 feet overall with a maximum speed of 14 knots.

The Coast Guard uses inland buoy tenders to service navigation aids in harbors, lakes, and rivers. It employs small harbor tugs for operations in ports. The 1965 program authorizes the replacement of three obsolete inland tenders and five small harbor tugs.

Vessel augmentation program

In addition to the replacement of certain obsolete Coast Guard vessels the comprehensive vessel plan recommends the addition of a total of 31 vessels by 1975. The 1965 program includes nine of these ships. These include one medium-endurance cutter, seven patrol boats, and one river tender.

The medium-endurance cutter will be assigned primarily to fisheries patrol. In describing the need for this additional vessel, Adm. Edwin J. Rollin, Commandant of the Coast Guard, stated:

"Other missions absorb all our presently available capability for this type of work and in face of the influx of foreign vessels into traditional American fishing grounds it has become more and more urgent to put vessels on patrol in the fishing areas to enforce laws, carry out surveillance in connection with fishing activities, and provide protection for American interests on the fishing grounds."